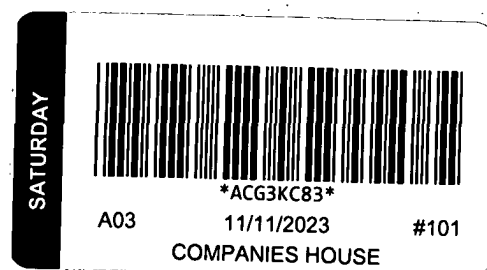


ASTRAL SOLAR LTD
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022



ASTRAL SOLAR LTD

COMPANY INFORMATION

Directors	P. E. Dias B. D. Rhys Jones T. J. Rosser
Registered number	07377842
Registered office	UK House, 5th Floor 164-182 Oxford Street London W1D 1NN
Independent auditors	Ernst & Young LLP 16 Bedford Street Belfast BT2 7DT

ASTRAL SOLAR LTD

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ASTRAL SOLAR LTD

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report and the audited financial statements of Astral Solar Ltd ("the company") for the year ended 31 December 2022. This report has been prepared in accordance with the special provisions to small companies within Part 15 of the Companies Act 2006/section 415A.

Principal activity

The principal activities of the company during the year continued to be the ownership, maintenance and operation of solar panel systems to benefit from the continued renewable energy and associated payments of the Feed in Tariff.

Business review and future developments

The company will seek to purchase further rights for Feed in Tariff payments and maintain payments from existing solar panel systems.

Results and dividends

The profit for the year after taxation amounted to £51,577 (2021: £33,137). The directors do not recommend the payment of a dividend.

Going concern

The financial statements have been prepared on the going concern basis. As at 31 December 2022, the company had net current assets of £1,245,972 and net assets of £1,914,216. The directors have assessed the company's ability to meet its liabilities as they fall due, including a review of the effect of the ongoing Ukraine-Russia conflict, the fluctuations in commodity prices and foreign exchange rates, and the potential to adversely impact global economies, which has driven an increase in volatility across markets. The directors have determined that based on recent trading of the company and revised projections, the above events are not expected to have a detrimental impact on the company's business.

Further, the company's ultimate joint shareholders, Renewable Energy Income Partnership III B Holdings Limited and REIP IV Holdings Limited, will continue to support the operations of the company for a period of twelve months from the date on which the financial statements are approved. The directors will continue to monitor the situation and take any necessary actions to minimise the possible impacts of these events.

Directors

The directors who served during the year were:

P. E. Dias
L. G. Halstead (resigned 29 August 2023)
B. D. Rhys Jones (appointed 9 February 2022)
T. J. Rosser
A. D. K. Brierley (resigned 9 February 2022)

ASTRAL SOLAR LTD

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Directors' responsibilities statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, Ernst & Young LLP, will be proposed for reappointment in accordance with section 489 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

The directors have also taken advantage of the small company exemptions provided by section 414B of the Companies Act 2006 and have not prepared a strategic report.

ASTRAL SOLAR LTD

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**
27-Oct-23

This report was approved by the board on and signed on its behalf.

DocuSigned by:

Thomas Rosser

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T. J. Rosser
Director

ASTRAL SOLAR LTD

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ASTRAL SOLAR LTD

Opinion

We have audited the financial statements of Astral Solar Limited (the 'company') for the year ended 31 December 2022 which comprise the Balance Sheet, the Statement of comprehensive income, the Statement of changes in equity and the related notes 1 to 15, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

ASTRAL SOLAR LTD

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ASTRAL SOLAR LTD
(CONTINUED)**

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The directors are responsible for the other information contained within the Annual Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

ASTRAL SOLAR LTD

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ASTRAL SOLAR LTD (CONTINUED)

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are Companies Act 2006, the reporting framework FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (the Companies Act 2006), Bribery Act 2010, Money Laundering Regulations 2017 and UK Tax Legislation).
- We understood how the Company is complying with those frameworks by making and corroborating enquiries of management and those charged with governance to understand how the Company maintains and communicates its policies and procedures in these areas. We corroborated our enquiries through review of the following documentation or performance of the following procedures:
 - Obtaining an understanding of entity-level controls and considering the influence of the control environment.
 - Obtaining an understanding of policies and procedures in place regarding compliance with laws and regulations, including how compliance with such policies is monitored and enforced; obtaining an understanding of management's process for identifying and responding to fraud risks, including programs and controls established to address risks identified or otherwise prevent, deter and detect fraud and how senior management monitors those programs and controls; and
 - Review of board meeting minutes in the period and to the date of signing

ASTRAL SOLAR LTD

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ASTRAL SOLAR LTD
(CONTINUED)**

- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved testing of journal entries, with focus on manual journals, large or unusual transactions, or journals meeting our defined risk criteria based on our understanding of the business; reviewing accounting estimates for evidence of management bias; enquiring of members of senior management and those charged with governance regarding their knowledge of any non-compliance or potential non-compliance with laws and regulations that could affect the financial statements; and inspecting correspondence, if any, with the relevant licensing or regulatory authorities

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Ernst & Young LLP

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Micheal Kidd (Senior Statutory Auditor)
for and on behalf of

Ernst & Young LLP
Statutory Auditor
16 Bedford Street
Belfast
BT2 7DT

Date: 7 November 2023

ASTRAL SOLAR LTD**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
Turnover		158,837	150,864
Cost of sales		(82,131)	(80,939)
Gross profit		76,706	69,925
Administrative expenses		(7,936)	(11,488)
Operating profit		68,770	58,437
Tax on profit on ordinary activity	9	(17,193)	(25,300)
Profit for the financial year		51,577	33,137

All items dealt with in the income statement above relate to continuing operations.

There was no other comprehensive income for 2022 (2021: £NIL).

The notes on pages 11 to 17 form part of these financial statements.

ASTRAL SOLAR LTD
REGISTERED NUMBER:07377842

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	10	744,589	805,161
Current assets			
Debtors: amounts falling due within one year	11	1,245,972	1,116,630
Total assets less current liabilities		1,990,561	1,921,791
Deferred tax	12	(76,345)	(59,152)
Net assets		1,914,216	1,862,639
Capital and reserves			
Allotted, called up and fully paid share capital		200,001	200,001
Share premium account		1,648,799	1,648,799
Profit and loss account		65,416	13,839
Total shareholders' funds		1,914,216	1,862,639

The financial statements have been prepared in accordance with the provisions applicable to small companies within Part 15 of the Companies Act, 2006 and in accordance with the provisions of Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" as amended by Section 1A "Small Entities".

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

27-Oct-23

DocuSigned by:

Thomas Rosser

AFB642D841CD1433

T. J. Rosser

Director

The notes on pages 11 to 17 form part of these financial statements.

ASTRAL SOLAR LTD**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital £	Share premium account £	Retained earnings £	Total equity £
At 1 January 2021	200,001	1,648,799	(19,298)	1,829,502
Profit for the financial year	-	-	33,137	33,137
At 31 December 2021 and 1 January 2022	200,001	1,648,799	13,839	1,862,639
Profit for the financial year	-	-	51,577	51,577
At 31 December 2022	200,001	1,648,799	65,416	1,914,216

The notes on pages 11 to 17 form part of these financial statements.

ASTRAL SOLAR LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

The principal activities of the company during the year continued to be the ownership, maintenance and operation of solar panel systems to benefit from the continued renewable energy and associated payments of the Feed in Tariff.

The company is a private company limited by shares and is incorporated and registered in the United Kingdom. The address of its registered office is Uk House, 5th Floor, 164-182 Oxford Street, London, United Kingdom, W1D 1NN.

2. Statement of compliance

The financial statements of Astral Solar Ltd have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3. Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

3.1 Basis of preparation of financial statements

The financial statements are prepared on the going concern basis, under the historical cost convention in accordance with the Companies Act 2006 and applicable United Kingdom accounting standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102").

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the company's shareholders.

The company has taken advantage of the following exemptions:

- from preparing a statement of cash flows, required under Section 7 of FRS 102 and para 3.17(d), on the basis that it is a small company;
- from disclosing the company's key management personnel compensation as required by FRS 102 para 33.7; and
- from disclosing related party transactions that are wholly owned within the same group.

3.2 Turnover

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured based on electricity generation in the period and applicable tariffs. Revenue is recognised as and when confirmed by the renewable energy FIT Licensee on a quarterly basis and includes an accrual for the revenue due for the period from the last agreed quarter end to the end of the accounting period. The Feed-in Tariffs (FIT) scheme was designed to promote the uptake of renewable and low-carbon electricity generation from installations with a capacity of up to 5MW.

ASTRAL SOLAR LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

3. Accounting policies (continued)

3.3 Finance costs

Finance costs are charged to the statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

3.4 Tangible fixed assets

Tangible assets represent the installation cost and right acquired to receive feed in tariffs from solar installations and are initially recognised at cost. After recognition, tangible assets are measured at cost less any accumulated depreciation and any accumulated impairment losses.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair values less cost to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

All tangible assets are considered to have a finite useful life based on the anticipated income arising from such rights being payable until 2037. Depreciation has been provided at 4.9% of cost to write off the assets over their useful life on a straight-line basis.

3.5 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

3.6 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

ASTRAL SOLAR LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

3. Accounting policies (continued)

3.7 Financial instruments

The company has chosen to adopt Section 11 and 12 of FRS 102 in respect of financial instruments.

Financial assets

Basic financial assets, including trade and other receivables and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Financial liabilities

Basic financial liabilities, including trade and other receivables and loans from shareholder companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Offsetting

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

ASTRAL SOLAR LTD**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****4. Critical accounting judgements and estimation uncertainty**

In the application of the company's accounting policies, management is required to make judgements, estimates and assumptions about the carrying value of assets and liabilities that are not readily ascertainable from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual outcomes may differ from these estimates. The estimates and underlying assumptions are reviewed on a continuing basis, revisions to accounting estimates are recognised in the period in which the estimates are revised.

5. Going concern

The financial statements have been prepared on the going concern basis. As at 31 December 2022, the company had net current assets of £1,245,972 and net assets of £1,914,216. The directors have assessed the company's ability to meet its liabilities as they fall due, including a review of the effect of the ongoing Ukraine-Russia conflict, the fluctuations in commodity prices and foreign exchange rates, and the potential to adversely impact global economies, which has driven an increase in volatility across markets. The directors have determined that based on recent trading of the company and revised projections, the above events are not expected to have a detrimental impact on the company's business.

Further, the company's ultimate joint shareholders, Renewable Energy Income Partnership III B Holdings Limited and REIP IV Holdings Limited, will continue to support the operations of the company for a period of 12 months from the date on which the financial statements are approved. The directors will continue to monitor the situation and take any necessary actions to minimise the possible impacts of these events.

6. Turnover

The whole of the turnover is attributable to generation and export tariffs receivable on solar panel installations exclusive of value added tax. Turnover arose from installations with the United Kingdom:

7. Operating profit

The operating profit is stated after charging:

	2022 £	2021 £
Fees payable for the audit	2,070	2,070
Depreciation of owned fixed assets	<u>60,572</u>	<u>60,572</u>

8. Employees

The company paid no remuneration or wages to its directors and had no other employees during the year (2021: £nil). The directors receive no remuneration or wages in respect of their directorship of the company (2021: £nil).

ASTRAL SOLAR LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

9. Taxation

	2022 £	2021 £
Deferred tax		
Origination and reversal of timing differences	17,193	14,609
Changes to tax rates	-	10,691
Total deferred tax	17,193	25,300
Tax on profit on ordinary activity	17,193	25,300

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2021 - *higher than*) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Profit on ordinary activities before tax	68,770	58,437
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	13,066	11,103
Effects of:		
Remeasurement of deferred tax for changes in tax rates	-	14,197
Origination and reversal of timing differences	17,194	-
Depreciation for year in excess of capital allowances	11,475	-
Utilisation of tax losses	(24,542)	-
Total tax charge for the year	17,193	25,300

Factors that may affect future tax charges

The Finance Act 2021 enacted on 10 June 2021 increased the main rate of United Kingdom corporation tax from 19% to 25%, effective from 1 April 2023. Deferred taxes on the Balance sheet have been measured at 25% (2021:25%) which represents the future corporation tax rate that was enacted at the Balance Sheet date.

ASTRAL SOLAR LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

10. Tangible fixed assets

	Plant and machinery £
Cost or valuation	
At 1 January 2022	1,221,640
At 31 December 2022	<u>1,221,640</u>
Depreciation	
At 1 January 2022	416,479
Charge for the year on owned assets	60,572
At 31 December 2022	<u>477,051</u>
Net book value	
At 31 December 2022	<u>744,589</u>
At 31 December 2021	<u>805,161</u>

11. Debtors

	2022 £	2021 £
Amounts owed by group undertakings	<u>1,245,972</u>	<u>1,116,630</u>

ASTRAL SOLAR LTD

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022

12. Deferred taxation

	2022 £
At beginning of year	(59,152)
Charged to profit or loss	(17,193)
At end of year	<u>(76,345)</u>

The provision for deferred taxation is made up as follows:

	2022 £	2021 £
Accelerated capital allowances	(185,463)	(200,562)
Tax losses carried forward	109,118	141,410
	<u>(76,345)</u>	<u>(59,152)</u>

13. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
2,000,010 (2021 - 2,000,010) Ordinary shares shares of £0.10 each	<u>200,001</u>	<u>200,001</u>

14. Related party transactions

The company has taken advantage of the exemption under paragraph 33.1A from the provisions of FRS 102, on the grounds that at 31 December 2022 it was a wholly owned subsidiary. There are no other related party transactions.

15. Parent company

The immediate parent company is Sunlight Technology Limited, a company registered in England and Wales, which is 100% owned by Sunstone Bidco Limited.

Ultimately, the company is jointly owned by Renewable Energy Income Partnership III B Holdings Limited and REIP IV Holdings Limited, with both companies incorporated in the UK.

In the directors' opinion there is no ultimate controlling party.